

**2007 Withholding Reconciliation Return**

Obtain additional information or assistance, and tax forms and instructions, by contacting one of the numbers listed below:

Phoenix	(602) 255-2060
From area codes 520 and 928, toll-free	(800) 843-7196
Form Orders	(602) 542-4260
Hearing impaired TDD user	
Phoenix	(602) 542-4021
From area codes 520 and 928, toll-free	(800) 397-0256
Recorded Tax Information	
Phoenix	(602) 542-1991
From area codes 520 and 928, toll-free	(800) 845-8192

Obtain tax rulings, tax procedures, tax forms and instructions, and other tax information by accessing the department's Internet home page at [www.azdor.gov](http://www.azdor.gov).

**General Instructions**

**Who May File Form A1-R**

Employers that file Form A1-QRT must file Form A1-R, *Arizona Annual Withholding Reconciliation Return*, to perform the reconciliation required by ARS § 43-412. Form A1-R is also the Arizona transmittal return for federal Forms W-2, W-2G, W-2c, and/or 1099-R, if those forms include Arizona withholding. These federal forms are required to be filed with the Form A1-R as an integral part of the reconciliation required by the statute.

**NOTE:** *Employers that file Form A1-APR, Arizona Annual Payment Withholding Tax Return, will not file Form A1-R. Form A1-APR contains the reconciliation required by ARS § 43-412.*

**Filing Original Returns**

File this return only on a calendar year basis, i.e., for the period January 1, 2007, through December 31, 2007. The return is due by February 28 of the year following the calendar year for which payments were made. If the employer has an Arizona extension, file the return by the extended due date. Attach a copy of the extension to the front of the return. Send the return to the Arizona Department of Revenue, PO Box 29009, Phoenix AZ 85038-9009.

**Extension of Time to File a Return**

An employer may apply for an extension of time to file Form A1-R upon a showing of good cause. The employer must file the extension request (Form A1-R EXT) as soon as the employer knows that an extension of time to file is necessary. The extension request must be mailed on or before February 28. An extension cannot be granted if the extension request is filed after the due date of Form A1-R. An extension of time to file Form A1-R is also an extension of time to file federal Forms W-2, W-2c, W-2G, and 1099R associated with that return.

**Filing Amended Returns**

If this is an amended Form A1-R, check the amended return box. Enter the amended numbers in all areas of the form, and

explain why an amended return is being filed in the space provided. Include amended federal Forms W-2, W-2c, W-2G, and/or 1099-R with the amended return.

**Penalties**

This form is an information return. An information return that is incomplete or filed after its due date (including extensions) is subject to a \$500 penalty.

**Submitting Federal Forms W-2, W-2c, W-2G, and 1099-R**

The department will accept federal Forms W-2, W-2c, W-2G, or 1099-R submitted by either method listed below:

- A paper copy of each federal Form W-2, W-2c, W-2G, and 1099-R can be submitted with Form A1-R. Mail Form A1-R and the paper copies of the federal forms to:

Arizona Department of Revenue  
PO Box 29009  
Phoenix AZ 85038-9009

- A tape cartridge or diskette, including an external label to identify the filer and characteristics of the tape, with the required information can be sent to:

Arizona Department of Revenue  
Information Technology Division  
Tape Librarian  
1600 W Monroe  
Phoenix AZ 85007-2650

Refer to Publication 701, *Magnetic Media Reporting*, for information regarding magnetic media specifications for reporting federal Forms W-2, W-2c, W-2G, and 1099-R.

**NOTE:** *Only the federal attachments to the Arizona Form A1-R may be filed via magnetic media. A paper copy of Arizona Form A1-R must be filed to the address on the form.*

**Specific Instructions**

Type or print the required information in the name and address boxes on the top of page 1. If this information is already printed on the form, check the information and make changes as necessary. Check the boxes to indicate whether this return is an amended return, and whether your address is changed.

Enter the employer identification number where indicated in the upper right hand corner of the page. Complete lines 1 through 4.

All returns, statements, and other documents filed with the department require a taxpayer identification number (TIN). Taxpayers that fail to include their TIN may be subject to a penalty. Paid tax return preparers must include their TIN where requested. The TIN for a paid tax return preparer is the individual's social security number, preparer identification number, or the employer identification number of the business. Paid tax return preparers that fail to include their TIN may be subject to a penalty.

<b>Annual Summary of Amounts Reported on 2007 Arizona Forms A1-QRT</b>
----------------------------------------------------------------------------

**Lines 5 through 9 -**

Enter the amount of Arizona tax reported on Form A1-QRT for each quarter and total the amounts on line 9.

**Underpayment of Tax for 2007**

If you discover that you have an underpayment of tax for 2007, submit an amended Form A1-QRT for each underpaid quarter. Remit a separate payment with each amended Form A1-QRT.

Enter your employer identification number on your check. The department will calculate the amount of interest and any applicable penalties and send a billing notice after the amended return is processed.

**Overpayment of Tax for 2007**

If you discover that you have an overpayment of tax for 2007, submit an amended Form A1-QRT for each overpaid quarter. After the amended return is processed and payments are confirmed, a credit notice will be generated. The department will apply the credit to any existing liabilities. **Do not use a credit until a credit notice has been received.**